

Madia 2007 negotiation updates...

M. Robert Madia

From: pk <pkennner@imvelocita.com>
Date: July 14, 2007 at 6:41:31 AM EDT
To: Attorney Madia RMM@MadiaLaw.com
Cc: Phil Kenner <phil@standardadvisors.com>
Subject: Mexico closing and Hawaii project (settlement update)

Rob... Good stuff. This shit is unbelievable so hopefully terminado and we can move on to make some money for the boys... Let me know AND I heard from Berard and Peca already who basically said f-Jowdy that scumbag haha... pk

From: R.M.Madia RMM@MadiaLaw.com
Date: July 13, 2007 at 8:52:33 PM EDT
To: Phil Kenner <phil@standardadvisors.com>; pk pkennner@imvelocita.com; Brad Ishister; Brad Lukowich; Brian Berard; Brian Campbell; Chris Simon; Dan Boyle; Darryl Sydor; Dimitri Khristich; Ethan Moreau; Glen Murray; Greg deVries; Jason Woolley; Jay McKee; Jere Lehtinen; Jerry Glatt; Joe Juneau; Jozef Stumpel; Kristine Myrick; Martias Nordstrom; Michael Peca; Owen Nolan; Sergei Gonchar; Steve Rucchin; Travis Green; Turner Stevenson; Tyson Nash; Vladimir Tsyplov; Chris Manfredi; John Kaiser; John Kaiser; Chris Hawkins
Cc: Phil Kenner phil@standardadvisors.com; pk pkennner@imvelocita.com; RMM@MadiaLaw.com
Subject: Mexico closing and Hawaii project (settlement update)

I am sure many of you are concerned about the settlement talks between Tommy and Ken and rightfully so. I have been told that Tommy exchanged a final revision last week with Ken to the deal points. Ken acknowledged his loans in excess of 8 million with the Hawaii deal and unpaid. The final points if we sign this version of the agreement will relieve Ken of the debt in exchange for Ken leaving the Cabo project. Phil or Tommy will assume the management for good or until another developer deal can be done. Either way the deal will be finally managed properly. Ken will be reduced to a 15% equity stake in Cabo. Phil told me he heard from Darryl Sydor, Glen Murray, and I think one or two other guys that you do not understand why Ken is retaining anything after what he did to us but sometimes deals require compromise. This appears to be one of those times. Ridding ourselves of any involvement in the future from Ken and his people is far more valuable than many of you may realize at this point. I was equally annoyed as you but we will begin real work in Cabo without Ken once Lehman approves the deal. There are several other deal point that include the Diamante air planes and others. We will resolve those with the incremental equity we take back from Ken and disburse it to cover the Hawaii loans and personal loans Jowdy received and failed to honor. If any deal affects you like Glen Murray and Ken's unpaid Vegas loan we will deal individually with those. Some of the Diamante del Mar issues are still in progress but we have covered the majority of issues Phil and Tommy have deemed critical. It is more than enough for the attorneys on both sides to generate the final settlement agreements. I see this as an overdue success after Phil exposed Jowdy last year.

You may call me directly or email any group questions. I expect us to be completing this deal in the next thirty to sixty days. Hang in there. Rob

From: pk <pkennner@imvelocita.com>
Date: July 12, 2007 at 11:16:18 AM EDT
To: Attorney Madia RMM@MadiaLaw.com; Phil Kenner <phil@standardadvisors.com>
Subject: Mexico closing and Hawaii project (settlement update)

Madia 2007 negotiation updates...

Rob...awesome on Nolan. I told him they were on their way already. I saw the FedEx tracking # AND please put together a brief update related to Constantine's revised settlement terms that we discussed and the unrepaid Hawaii loan deal so the boys are all aware...thx.pk

From: Attorney Madia RMM@MadiaLaw.com
Date: July 10, 2007 at 6:15:14 PM EDT
To: pk <pkanner@aimvelocita.com>; Phil Kenner <phil@standardadvisors.com>
Subject: Nolan

Consider it el-done-o ASAP. Rob

From: pk <pkanner@aimvelocita.com>
Date: July 10, 2007 at 12:01:17 PM EDT
To: Attorney Madia RMM@MadiaLaw.com
Cc: Phil Kenner <phil@standardadvisors.com>
Subject: Nolan

Rob...please send me a full copy of the Nolan LOC documents from Northern Trust. Please send a full copy to Owen at his California address as well with my FedEx account. I just spoke with Owen and his wife and they need another copy of what he signed in 2003 for Little Isle 4 and all the renewals from 2004-06 for his personal LOC. I think he was trying to sort out last years land loan versus the LOC for the Hawaii investment and the Jowdy loans...thx.pk